

Registration number: 04060116

Monkey Kingdom Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2013

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Monkey Kingdom Limited

Strategic Report for the Year Ended 31 December 2013

The directors present their strategic report for the year ended 31 December 2013.

Principal activity

The principal activity of the company is television and other entertainment media production.

Results and dividends

The results of the company show a pre-tax loss of £1,708,000 (2012: £1,445,000) for the year and turnover of £11,327,000 (2012: £7,480,000).

The loss for the year, after taxation, amounted to £1,708,000 (2012: £1,445,000).

The directors did not declare payment of a final dividend (2012: £nil).

The directors did not declare an interim dividend for the year (2012: £nil).

The company has net liabilities of £5,515,000 (2012: £3,812,000) out of which £8,138,000 is due to (2012: £4,824,000) fellow group companies.

Enhanced business review

The increase in turnover during the current year is due to a higher number of hours produced and delivered to broadcasters in 2013 compared to the prior year. The Made in Chelsea series has seen continued success, receiving a BAFTA award for Best Reality and Constructed Factual TV show in May 2013.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2013	2012
Growth in sales	%	51.00	(23.00)
Gross Margin	%	20.00	19.00

The gross margin is the ratio of gross profit to sales expressed as a percentage.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to the risks affecting the group companies which it provides services to. These are the competitive pressures within the broadcast channel industry, a challenging macroeconomic environment, rapid technological change and increased risk of piracy.

Market Risks

The entertainment industry continues to undergo significant changes, primarily due to technological advances and shifting consumer tastes. Predicting the impact of these factors on turnover and the mix of revenue streams is difficult, so the group takes measures to remain responsive to market conditions.

Financial Risks

The company is fully supported within the group, which manages a mixture of debt and equity funding in order to minimise risk exposure and enable optimal business performance. Consequently, the company does not hold external debt and is resilient to risks arising from movements in interest rates. The group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates.

Policies have been implemented with the company to minimise liquidity risk, through maintenance of an internal reporting structure based on cash targets. Additionally, appropriate credit checks are carried out for all potential customers before contracts are entered into, with status monitoring taking place throughout.

Monkey Kingdom Limited
Strategic Report for the Year Ended 31 December 2013

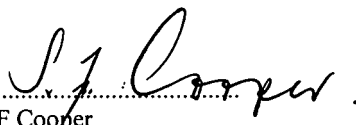
Research and development

The company continues to invest in development through a mixture of broadcaster funded and in-house supported projects.

Future developments

No significant changes to the future activities of the business are expected.

Approved by the Board on ¹⁵..... September 2014 and signed on its behalf by:


.....
S F Cooper
Director

Registered office 1 Central St Giles
St Giles High Street
London
WC2H 8NU

Monkey Kingdom Limited
Directors' Report for the Year Ended 31 December 2013

Directors of the company

The directors, who held office during the year except as noted, were as follows:

D R Guppy (resigned 17 January 2013)

M Edelstein

G Neame (resigned 3 December 2013)

D Granger

W A MacDonald (appointed 3 December 2013)

S F Cooper (appointed 3 December 2013)

D W Oldfield (appointed 3 December 2013 and resigned 29 August 2014)

Directors' indemnities

The company has made no qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the accounting policies in note 1 to the financial statements.

Disclosure of information to the auditor

Each of the persons who is a director at the date of approval of this report confirms that:


- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Monkey Kingdom Limited
Directors' Report for the Year Ended 31 December 2013
..... continued

Approved by the Board on ¹⁵..... September 2014 and signed on its behalf by:


.....
S F Cooper
Director

Registered office 1 Central St Giles
St Giles High Street
London
WC2H 8NU

Monkey Kingdom Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Monkey Kingdom Limited

Independent Auditor's Report to the Members of Monkey Kingdom Limited

We have audited the financial statements of Monkey Kingdom Limited for the year ended 31 December 2013, which comprise the Profit and Loss Account, Balance Sheet, and related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

Monkey Kingdom Limited
Independent Auditor's Report to the Members of Monkey Kingdom Limited
..... continued

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Robert Matthews
For and on behalf of Deloitte LLP,
Chartered Accountants and Statutory Auditor

London, UK

15 September 2014

Monkey Kingdom Limited
Profit and Loss Account for the Year Ended 31 December 2013

	Note	2013 £ 000	2012 £ 000
Turnover	2	11,327	7,480
Cost of sales		<u>(9,054)</u>	<u>(6,081)</u>
Gross profit		2,273	1,399
Administrative expenses		<u>(3,897)</u>	<u>(2,795)</u>
Operating loss	3	(1,624)	(1,396)
Interest payable and similar charges	7	<u>(84)</u>	<u>(49)</u>
Loss on ordinary activities before taxation		<u>(1,708)</u>	<u>(1,445)</u>
Loss for the financial year	14	<u><u>(1,708)</u></u>	<u><u>(1,445)</u></u>

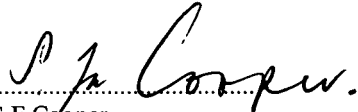
All amounts relate to continuing operations in the current year and prior year.

The company has no recognised gains or losses for the current year and prior year other than the results above.

Monkey Kingdom Limited
(Registration number: 04060116)
Balance Sheet as at 31 December 2013

	Note	2013 £ 000	2012 £ 000
Fixed assets			
Tangible fixed assets	9	550	96
Current assets			
Stocks	11	1,413	1,933
Debtors	12	1,874	1,122
Cash at bank and in hand		3,103	1,553
		<u>6,390</u>	<u>4,608</u>
Creditors: Amounts falling due within one year	13	<u>(12,455)</u>	<u>(8,516)</u>
Net current liabilities		<u>(6,065)</u>	<u>(3,908)</u>
Net liabilities		<u>(5,515)</u>	<u>(3,812)</u>
Capital and reserves			
Called up share capital	15	177	177
Share premium reserve	14	1,144	1,144
Other reserves	14	5	-
Profit and loss account	14	<u>(6,841)</u>	<u>(5,133)</u>
Shareholders' deficit	16	<u>(5,515)</u>	<u>(3,812)</u>

The financial statements have been approved and authorised for issue by the Board on 15 September 2014 and signed on its behalf by:


S F Cooper
Director

Monkey Kingdom Limited

Notes to the Financial Statements

1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

The company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the group in accordance with FRS 1.

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding net liabilities of £5,515,000 (2012: £3,812,000) and loss of £1,708,000 (2012: £1,445,000). The Directors have reviewed the financial position of Monkey Kingdom Limited, including the arrangements with group undertakings. The Directors have considered the financial position of the company's immediate group and ultimate parent.

On the basis of their assessment of the company's financial position and the enquiries made by the Directors, of NBCUniversal Media LLC, the company's directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the immediate group to continue as a going concern. As with any company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although at the date of approval of these financial statements, they have no reason that it will not do so. Accordingly they expect that the company will be able to continue in operational existence for the foreseeable future and hence continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Turnover

Turnover comprises production fees and amounts receivable for the exploitation of rights, net of VAT.

Production revenues are recognised when a programme is delivered to the broadcaster, on an episodic basis where applicable. Revenues received for funded development costs are included within turnover.

Broadcast distribution revenues are recognised when all contractual obligations have been fulfilled. Video distribution revenues generated by affiliated companies are recognised as sold net of provisions for returns.

Non-refundable advances under third-party distribution and licensing arrangements are recognised once a contract is in place and the contractual obligations have been fulfilled.

Royalties are recognised on a declared basis and only accrued where sufficient evidence of amounts due can be obtained or calculated as at the year-end reporting date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, over their expected useful life, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	20% per annum straight line
Plant and machinery	20% per annum straight line

Monkey Kingdom Limited
Notes to the Financial Statements
..... continued

1 Accounting policies (continued)

Office equipment	20% per annum straight line
Long leasehold land & buildings	20% per annum straight line

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any impairment. A review of the potential impairment of an investment is carried out if events or circumstances indicate that the carrying amount of an investment may not be recoverable. Such impairment reviews are carried out in accordance with FRS 11 "Impairment of fixed assets and goodwill". Impairment thus arising are recorded in the profit and loss account.

Work in progress

Work in progress is a reflection of the costs directly incurred in programme creation, which are held on the balance sheet until successful delivery of a project.

The company uses a long term accounting method for work in progress with respect to its programme creation. This basis considers all expected revenue streams, costs of production, distribution and exploitation in order to estimate a profit margin for the project. Revenue is recognised proportionally in line with the anticipated margin. The assumptions on which the original model was based are reviewed periodically.

Provisions

A provision is recognised when there is a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Taxation

Taxation for the year is based on the loss for the year. Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the enacted tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Monkey Kingdom Limited
Notes to the Financial Statements
..... continued

1 Accounting policies (continued)

Pensions

The company operates a defined contribution scheme. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet. The assets of the scheme are held separately from those assets of the company in an independently administered fund.

2 Turnover

An analysis of turnover by geographical location is given below:

	2013 £ 000	2012 £ 000
UK	8,893	6,993
Rest of European Union	640	484
USA	1,790	3
Other	4	-
	<u>11,327</u>	<u>7,480</u>

3 Operating loss

Operating loss is stated after charging/(crediting):

	2013 £ 000	2012 £ 000
Operating leases - other assets	3	5
Foreign currency losses	109	21
Depreciation of owned assets	<u>114</u>	<u>25</u>

4 Auditor's remuneration

	2013 £ 000	2012 £ 000
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>19</u>	<u>8</u>

5 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

Monkey Kingdom Limited
Notes to the Financial Statements
..... continued

5 Staff numbers and costs (continued)

	2013 No.	2012 No.
Production	10	9
Administration and support	6	7
	<u>16</u>	<u>16</u>

The aggregate staff costs including directors' emoluments were as follows:

	2013 £ 000	2012 £ 000
Wages and salaries	1,295	1,125
Social security costs	196	114
Other pension costs	51	49
	<u>1,542</u>	<u>1,288</u>

6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2013 £ 000	2012 £ 000
Remuneration	747	434
Contributions paid to money purchase schemes	30	30
	<u>777</u>	<u>464</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2013 No.	2012 No.
Accruing benefits under money purchase pension scheme	<u>2</u>	<u>2</u>

In respect of the highest paid director:

	2013 £ 000	2012 £ 000
Remuneration	374	217
Company contributions to money purchase pension schemes	<u>15</u>	<u>15</u>

During the year the highest paid director exercised share options.

7 Interest payable and similar charges

	2013 £ 000	2012 £ 000
Interest on loans from group undertakings	<u>84</u>	<u>49</u>

Monkey Kingdom Limited
Notes to the Financial Statements
..... continued

8 Taxation

Tax on loss on ordinary activities

The tax charge comprises:

	2013 £ 000	2012 £ 000
Total current tax	-	-
Total tax on loss on ordinary activities	-	-

Factors affecting current tax charge for the year

The tax on loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK (2012 - higher than the standard rate of corporation tax in the UK) of 23.25% (2012 - 24.5%).

The differences are reconciled below:

	2013 £ 000	2012 £ 000
Loss on ordinary activities before tax	(1,708)	(1,445)
Corporation tax at standard rate	(397)	(354)
Capital allowances in excess of depreciation	4	(3)
Expenses not deductible for tax purposes	3	1
Group relief not paid for	390	356
Total current tax	-	-

Factors that may affect future tax charges

The rate of UK corporation tax that was enacted at the balance sheet date was 20%. The UK corporation tax rate was 23% from 1 April 2013 and will change to 21% on 1 April 2014 and 20% from 1 April 2015.

Deferred tax assets and liabilities on all timing differences have been calculated at 20%, including those expected to reverse in the years ended 31 December 2014 and 31 December 2015 (the average rate for which would be 21.50% and 20.25% respectively). The impact of this on the financial statements is not considered to be material.

Monkey Kingdom Limited
Notes to the Financial Statements
..... continued

9 Tangible fixed assets

	Long leasehold land and buildings £ 000	Plant and machinery £ 000	Fixtures and fittings £ 000	Office equipment £ 000	Total £ 000
Cost					
At 1 January 2013	-	229	158	329	716
Additions / (Disposals)	418	-	75	75	568
At 31 December 2013	418	229	233	404	1,284
Depreciation					
At 1 January 2013	-	226	155	239	620
Charge for the year	72	3	10	29	114
At 31 December 2013	72	229	165	268	734
Net book value					
At 31 December 2013	346	-	68	136	550
At 31 December 2012	-	3	3	90	96

Monkey Kingdom Limited
Notes to the Financial Statements
..... continued

10 Fixed assets investments

	2013 £ 000	2012 £ 000
Shares in group undertakings and participating interests	-	-
	-	-

Shares in group undertakings and participating interests

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Monkey Ventures Limited	United Kingdom	Ordinary shares	100%	Dormant

11 Stocks

	2013 £ 000	2012 £ 000
Work in progress	1,413	1,933

Monkey Kingdom Limited
Notes to the Financial Statements
..... continued

12 Debtors

	2013 £ 000	2012 £ 000
Trade debtors	185	380
Other debtors	6	-
Prepayments and accrued income	599	495
Owed by group undertakings	1,084	247
	<u>1,874</u>	<u>1,122</u>

A £443,000 reclassification from Trade debtors to Prepayments and accrued income has been made in 2012.

Deferred tax

Analysis of unrecognised deferred tax

	2013 £ 000	2012 £ 000
Difference between accumulated depreciation and amortisation and capital allowances	16	14
Tax losses available	861	604
	<u>877</u>	<u>618</u>

13 Creditors: Amounts falling due within one year

	2013 £ 000	2012 £ 000
Bank loans and overdrafts	-	1
Trade creditors	58	306
Other taxes and social security	213	314
Accruals and deferred income	2,962	2,824
Owed to group undertakings	9,222	5,071
	<u>12,455</u>	<u>8,516</u>

A £310,000 reclassification from Trade creditors to Accruals has been made in 2012.

Monkey Kingdom Limited
Notes to the Financial Statements
..... continued

14 Reserves

	Share premium account £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2013	1,144	-	(5,133)	(3,989)
Loss for the year	-	-	(1,708)	(1,708)
Other reserve movements	-	5	-	5
At 31 December 2013	1,144	5	(6,841)	(5,692)

15 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No. 000	£ 000	No. 000	£ 000
"A" ordinary shares of £0.0005 each	2,620	1	2,620	1
"B" ordinary shares of £0.0005 each	2,465	1	2,465	1
"C" ordinary shares of £0.0005 each	115	-	115	-
Deferred shares of £0.0005 each	349,949	175	349,949	175
	<u>355,149</u>	<u>177</u>	<u>355,149</u>	<u>177</u>

16 Reconciliation of movement in shareholders' funds

	2013 £ 000	2012 £ 000
Loss attributable to the members of the company	(1,708)	(1,445)
Other recognised gains and losses relating to the year	<u>5</u>	<u>-</u>
Net reduction to shareholders' funds	(1,703)	(1,445)
Shareholders' deficit at 1 January	<u>(3,812)</u>	<u>(2,367)</u>
Shareholders' deficit at 31 December	<u>(5,515)</u>	<u>(3,812)</u>

17 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year is equal to the contributions payable by the company to the scheme and amounted to £51,000 (2012 - £49,000).

Monkey Kingdom Limited
Notes to the Financial Statements
..... continued

18 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

19 Control

The Company's immediate parent undertaking is NBCUniversal International Limited, a company incorporated in the United Kingdom.

The smallest group in which the results of the Company was consolidated is that headed by NBCUniversal Media LLC, a company incorporated in the United States of America. The largest group in which the results of the Company are consolidated is that headed by its ultimate parent undertaking, Comcast Corporation, a company incorporated in the United States of America. The consolidated financial statements of these companies are available to the public and may be obtained from Rockefeller Plaza, New York, New York 10112 and One Comcast Center, 1701 John F Kennedy Boulevard, 47th Floor, Philadelphia, Pennsylvania 19103, USA or at www.comcast.com respectively.